

HOMETOWN BANKSHARES CORPORATION

	CPP Disbursement Date 09/18/2009	RSSD (Holding Company) 3848342	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2011 \$ millions	2012 \$ millions	%chg from prev		
Assets	\$361	\$370	2.5%		
Loans	\$249	\$275	10.4%		
Construction & development	\$28	\$25	-8.6%		
Closed-end 1-4 family residential	\$50	\$56	11.4%		
Home equity	\$19	\$21	7.8%		
Credit card	\$0	\$0			
Other consumer	\$2	\$6	242.3%		
Commercial & Industrial	\$32	\$38	18.1%		
Commercial real estate	\$102	\$109	6.8%		
Unused commitments	\$43	\$47	9.5%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$32	\$22	-32.3%		
Asset-backed securities	\$0	\$0			
Other securities	\$37	\$41	13.0%		
Cash & balances due	\$13	\$10	-21.7%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$330	\$335	1.2%		
Deposits	\$310	\$311	0.3%		
Total other borrowings	\$19	\$22	14.2%		
FHLB advances	\$19	\$22	15.8%		
Equity					
Equity capital at quarter end	\$31	\$36	16.4%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	8.3%	9.1%	--		
Tier 1 risk based capital ratio	11.4%	12.0%	--		
Total risk based capital ratio	12.6%	13.2%	--		
Return on equity ¹	6.1%	6.3%	--		
Return on assets ¹	0.5%	0.6%	--		
Net interest margin ¹	3.7%	3.9%	--		
Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans}}	195.8%	140.9%	--		
Loss provision to net charge-offs (qtr)	46.4%	0.0%	--		
Net charge-offs to average loans and leases ¹	1.2%	0.2%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2011	2012	2011	2012	
Construction & development	2.3%	7.0%	2.6%	0.1%	--
Closed-end 1-4 family residential	1.4%	1.0%	0.0%	0.0%	--
Home equity	3.4%	0.6%	0.0%	0.3%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	0.0%	0.0%	0.0%	0.0%	--
Commercial & Industrial	0.1%	0.0%	0.0%	0.1%	--
Commercial real estate	0.0%	0.2%	0.0%	0.0%	--
Total loans	0.8%	1.0%	0.3%	0.0%	--